

would be contrary to the best interests of the City of Austin.

WHEREFORE, this Company respectfully prays that said resolution, notice and demand be rescinded, and that in any event the time therein stipulated be extended for one year, or for such reasonable time as your Honors may deem proper in the premises; and, in no event, that steps be taken to cancel or annul the rights, privileges and franchises now held by this Company.

Respectfully yours,

AUSTIN DAM, INC.

By (Sgd) Guy A. Collett,
Local Representative. "

The above communication was read and ordered filed.

Councilman Mueller moved that the Council recess, subject to call of the Mayor. Motion was seconded by Councilman Steck and same prevailed by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

The Council then recessed.

Approved: 
Mayor.

REGULAR MEETING OF THE CITY COUNCIL:

Austin, Texas, March 29, 1928.

The Meeting was called to order by the Mayor. Roll call showed the following members present: Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; absent, Councilman Reed.

The Minutes of the last meeting were read and Councilman Steck moved the adoption of same. Motion was seconded by Councilman Mueller, and same prevailed by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

The Mayor laid before the Council for its second reading the following ordinance:

AN ORDINANCE PROHIBITING THE
STANDING OF INTERURBAN MOTOR
BUSES UPON THE STREETS AND
PUBLIC PLACES OF THE CITY OF
AUSTIN, AND PROVIDING A PENALTY.

The above ordinance was read the second time and laid over.

Mayor McFadden laid before the Council the following communication from the President of the Board of Trustees of the Austin Public Schools:

"Austin, Texas, March 26, 1928.

To the Honorable Mayor and City Council,
Austin, Texas.

Gentlemen:

The Board of the Austin Public Schools at a special meeting held this day,

requested me to formally petition your honorable body to call an election for the purpose of submitting to the citizens of Austin, who are tax payers, the question of issuing school bonds in the amount of \$300,000.00. At the proper time, it is our purpose to inform the people as definitely as possible of the contemplated expenditures of the proceeds of this bond issue.

At an informal meeting with your body last week, we tentatively put before you the following present needs of the schools:

Gymnasium for Austin High School -----	\$ 35,000.00
Gymnasium for Junior High School -----	25,000.00
Additional Playgrounds -----	35,000.00
Additions to present buildings:	
Fulmore (6 rooms) -----	27,500.00
Mathews (4 rooms) -----	22,500.00
Metz (4 rooms) -----	22,500.00
Palm (4 rooms) -----	22,500.00
John B. Winn (4 rooms) -----	17,500.00
Wooldridge (4 rooms) -----	17,500.00
Equipment -----	15,000.00
Additional Buildings and Grounds for Colored Schools -----	55,000.00
Architects' Fees, etc. -----	5,000.00
	<u>\$300,000.00</u>

The above figures, you will understand, are estimates but these estimates have been made after consulting the various contracts entered into by the Board of Trustees several years ago.

Yours very truly,

(Sgd) E. A. Murchison,
President.

Attest:
(Sgd) Elizabeth F. Gardner,
Secretary. "

Councilman Steck moved that the above request of the School Board be approved and accepted. Motion was seconded by Councilman Mueller and same prevailed by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

J. B. Thomas presented to the Council the following communication from the Texas Power & Light Company:

"Dallas, Texas, March 27, 1928.

To the Mayor and City Council,
Austin, Texas.

Gentlemen:

Through the public press I am advised that on March 1, 1928, the City Council passed a resolution demanding that the Austin Dam, Inc. proceed to the completion of the dam on the Colorado River, in accordance with the contract between the city and William D. Johnson and his assigns, and notifying the Company that upon failure or refusal within thirty days therefrom, to proceed to the performance of the contract, or to satisfy the city of its ability and willingness to perform within a reasonable time, that the City Attorney of the City of Austin would institute proceedings in a proper court for the purpose of annulling and setting aside all rights and privileges granted to Johnson and assigns, etc.

As you know, for the last several years the Texas Power and Light Company, through its interconnected transmission system, has been supplying and distributing electric energy in towns in the immediate vicinity of Austin.

In the summer of 1925 the Texas Power & Light Company began making plans for the extension of its transmission lines from Taylor along the I&GN Railroad to San Marcos, there to connect with its lines which extend from a point near New Braunfels through Lockhart, Bastrop and Elgin to Taylor, thus making a loop, and providing at such point for a most effective and desirable interconnection with the transmission system and electric generating facilities of the San Antonio Public Service Company.

Knowing that this line would run near the city of Austin, and that the Company would be called upon to serve business, if not within the city limits, adjacent thereto, consideration was given to the possibility of interconnecting the municipally owned power and light plant of the City of Austin with the Company's transmission system.

Surveys made by our company engineers at that time showed conclusively that a substantial and continued saving to the City of Austin in the cost of its power would result, and that such a connection would not in any way interfere with the City's control of the rates and service furnished to its patrons.

On investigation it became apparent that no progress could be made in negotiations with the City of Austin with reference to such a connection unless provision was made for the rehabilitation of the Austin Dam on the Colorado River, and, particularly, unless - through reconstruction of the dam - a lake would be created and maintained which would be available to the citizens of Austin for recreational purposes.

Upon further investigation it was found that the rights, privileges and franchises granted to William D. Johnson and assigns, in consideration of an obligation to reconstruct the dam and to install certain hydro electric equipment, were valid and outstanding, and were owned and held by the Austin Dam, Inc.

Feeling that the Texas Power & Light Company was in a position to supply to the City of Austin all of the electric power and energy that would be required for the operation of its electric distribution system at less than it would cost the City to provide such power and energy through the maintenance and operation of its steam electric generating station, and, at the same time, through a reconstruction of the dam and appurtenances could generate such electric power and energy, if made available to its electric transmission system, as would justify it in undertaking to rehabilitate the dam, and to create and maintain the lake, I urged the representatives of the City of Austin to acquire the properties and rights of the Austin Dam, Inc.

After considerable discussion, I was advised by the City's representatives that the City was not in a financial position to acquire such properties and rights, and that an attempt to cancel or annul such rights would mean a long, drawn-out law suit in which nothing would be accomplished.

Under these circumstances, and in order that the negotiations between the company and the city might proceed along these lines, the City's representatives suggested that the company either purchase, or secure an option to purchase, the rights, privileges and franchises owned and held by the Austin Dam, Inc. For this purpose, the Texas Power & Light Company at a substantial cost and expense to itself, did secure an option from the Austin Dam, Inc. for a limited time to purchase the properties and rights, and by extension from time to time kept it in full force and effect.

Immediately after securing the option from the Austin Dam, Inc. the Company, with a corps of trained engineers, began and pursued an intensive study of the dam, structures and appurtenances, and of all available data relating to the flow of the Colorado River, with the view of submitting to the City's representatives the best plan for the rehabilitation of the dam, and the supply of such electric power and energy as would be required.

After much discussion and negotiation, and a favorable report by a joint committee appointed by the City and the Chamber of Commerce, an agreement was reached with your predecessors which was embodied in an ordinance finally passed on June 30, 1926, subject to acceptance by this company; but soon after your election and qualification, and before the ordinance was accepted, a request was made of this Company that it withdraw its proposal, and an ordinance was passed repealing the former ordinance, with the verbal assurance that as soon as the new Council was organized and ready to consider such matters, negotiations would be resumed in an effort to work out a more satisfactory arrangement along the general lines embodied in the original ordinance.

These negotiations were resumed, but one delay after another ensued until the option which had been secured, and twice renewed, was about to expire.

Prior to the passage of said ordinance your predecessors employed electrical engineers to study this Company's proposal, and to advise them as to what disposition should be made thereof; and it was upon the recommendation of these engineers that the ordinance was passed.

After your resumption of negotiations, distinguished engineers were employed by the City to again study the proposal and to make recommendations; and with certain qualifications, which, in the main, my Company has indicated a willingness to accept, they, too, advised its acceptance.

During the latter part of the negotiations reports became current that certain improvements might be made on the Colorado River above the dam which might enhance the value of the dam, in that the power and energy which could be developed therefrom would be increased. While these reports were very indefinite, the representatives of my Company promptly assured the representatives of the City of their willingness to insert in any contract that might be made by the Company with the city a provision under which the city should participate in any such benefits on a fair and equitable basis. Inasmuch as it was known that such improvements could not be completed within less than a five year period, and inasmuch as the contract already contained a provision that at five year intervals the rates prescribed should be subject to readjustment, so as to make them fair alike to both parties, the suggested provision was hardly necessary, as, manifestly, under the rate adjustment provision, the city could and would have taken advantage of any such benefits through a reduction in rates.

The proposal submitted to the City of Austin by my company is based upon the following fundamental concepts, the soundness of which it is believed can be abundantly demonstrated to the satisfaction of yourselves and of the entire citizenship of Austin:

1. Sale by the Texas Power & Light Company of electric power and energy to the City of Austin at a total cost substantially less, over any reasonable period, than the total cost to the City of supplying such power and energy through its own generating plant and system.

2. Assurance that the present generating station, distribution system and market of the City of Austin would be kept intact, and that the generating station and equipment would be so maintained that at the end of the contract period it could and would be returned to the city in good working order and condition.
3. Relief to the City of Austin from the immediate necessity of providing approximately \$500,000.00 for extensions and improvements to its generating station and equipment.
4. Rehabilitation of the Austin Dam to the 160 foot elevation with the aid of the best engineering skill and resources available to make it a permanent and useful structure, so as to provide a lake, with a reasonably constant water level, which would be available to the citizens of Austin for recreational purposes.

In this connection it might be well to call your attention to the fact that in its original proposal the Company secured the right to draw down a maximum of 18 feet, as was provided in the Johnson contract, but that on having it called to the attention by the city's engineers, Thompson and Kenny, that this would result in draining the lake, and the company readily agreed that this provision could be modified.

5. A provision in the contract that rates should be readjusted at five year intervals, whereby the City of Austin would, throughout the contract period, be in position to share in the reduction of costs of generating electric power resulting from the company's frequent installation on its transmission system of the best, most modern and most economical generating equipment which the art afforded, and the further benefit of its skill and resources in producing the bulk of its energy at the most opportune and economical point throughout the wide area in Texas which its transmission system traverses.

It is confidently submitted that with such an agreement in force, under any conditions which can be foreseen, the City of Austin would be in far better position to participate in economies in the cost of fuel and other expense which enter into the cost of generating electric energy, (including the benefit of system interconnection and large quantity production) than it could be if it continued to operate its own plant and equipment.

The City of Austin could not, on its own account, afford, under existing conditions, nor under any that could be reasonably anticipated, to reconstruct and operate the Austin dam. The dam and structures are in a dangerous and insecure condition, and if they continue in that condition are likely to be lost at any time through floods or other natural causes, and even if reconstructed, maintained and operated in the most skillful manner, the probability of loss through floods or other causes would create a hazard that no municipality should want to assume.

In all discussion of this subject it was understood and assumed by all parties that the completion of the Austin dam in accordance with the Johnson contract was both impracticable and undesirable from every standpoint, but that it was practicable and desirable to so modify that contract as to provide for the reconstruction and rehabilitation of the Austin dam, and to supply to the City of Austin, from the company's interconnected transmission system, at reasonable and proper rates, such electric power and energy as the city requires for the operation of its distribution system.

On or about the first day of January, 1928, my company was advised that the Austin Dam, Inc. was in serious financial difficulties, which made it not only impossible for it to complete the dam, but, also, likely that my company would lose the substantial sum of money which it had expended in acquiring and extending the option, and in investigating and studying the best and most practicable

means of rehabilitating the dam, with the more serious consequences that the dam would be lost through abandonment and neglect.

Feeling that the interest of the City of Austin would be best served by such a course, my company was instrumental in having the stock of the Austin Dam, Inc. acquired by friendly interests both able and willing to cooperate with my company and with the City in working out a just and practicable plan for the rehabilitation of the dam.

The Texas Power & Light Company is not the owner of the properties, and has no interest therein, save and except through its option to purchase, and assumes no responsibility for the performance of the Johnson contract. Yet, it is in position to assist, and to co-operate with the owners of said properties along constructive lines, and with the City of Austin, looking toward the rehabilitation of the dam, and the supply to the City of Austin of its requirements for electric power and energy. In view of this statement, it seems to me that it should be assumed that in securing and retaining its option to purchase, and in inducing the purchase of said rights and properties by friendly interests with which it can co-operate, this Company did not intend, and does not now intend, to embarrass the City of Austin in any effort that it might make to rehabilitate the dam and to secure an adequate power supply.

If it should, therefore, appear that this can be done through others to better advantage than through this company, the Texas Power & Light Company stands ready and willing, upon being presented within a reasonable time, not to exceed six months from date, with evidence that a bona fide offer has been made to the City of Austin by responsible parties to rehabilitate said dam, and to supply its requirements for electric power and energy on more favorable terms to the city than this company has made or is willing to make, it will exercise its option and transfer, or cause to be transferred, to the City, or its nominee, all of the properties, rights and privileges now held by the Austin Dam, Inc. upon the payment in cash to this Company of a sum equivalent to all expenditures made by it in securing said option, and the various extensions thereof, and in investigating said project, including the purchase price specified in said option.

Only the purchase of said rights and privileges by friendly interests rendered this voluntary proposal possible, as all options theretofore held were non-assignable, and the proposal is made as an evidence of this company's good faith, and of its firm conviction that the proximity and relation of its interconnected system to the city of Austin is such that it can and will co-operate with the city on more favorable terms than any other party or interest.

While, as stated above, this company assumes no responsibility for the completion of the dam in accordance with the Johnson contract, and from the intensive investigation and study made by its engineers since its option was first acquired, as well as from the numerous discussions which have taken place between yourselves and predecessors, has not deemed that it would be either practicable or desirable to complete said dam in accordance with the Johnson contract, yet, in view of the large expenditures in connection with securing said option, and keeping it in force, and in making its investigations and conducting the negotiations, the company stands ready to re-examine the project with that end in view, and to consider any reasonable plan which you may submit for their completion.

Because of the substantial obstacles to be surmounted, the many difficulties to be overcome in completing said project, the understanding and agreement that existed at the time the option was taken, that their completion according to the Johnson contract was neither practicable or desirable, it is respectfully submitted that your demand that the Austin Dam, Inc. proceed within thirty days to the specific performance of the Johnson contract, is, in the light of the existing circumstances, unreasonable, if not actually beyond the possibility of fulfillment, and that said resolution should be rescinded; and, in any event that the thirty day period should be extended for such reasonable time as would enable all parties concerned to work out a plan that would be to their mutual advantage.

Respectfully submitted,

TEXAS POWER & LIGHT COMPANY,

By (Sgd) W. B. Head, Chairman. "

The above communication was received and filed for further consideration.

Mayor McFadden laid before the Council the following resolution:

WHEREAS, on Assessment No. 4713 a Moon Roadster was assessed against Mrs. S. L. Hamilton for the year 1927 at a valuation of \$400.00; and

WHEREAS, it appears from Petition #29, hereto attached, that said automobile is a 1922 model and that a valuation of \$100.00 more nearly represents the true value of same,

Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That said valuation be changed from \$400.00 to \$100.00, and the Assessor and Collector be and he is hereby instructed to change his rolls accordingly.

The above resolution was adopted by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Stock, 4; nays, none, Councilman Reed absent.

Mayor McFadden laid before the Council the following resolution:

WHEREAS, on Assessment No. 3212 a Ford Roadster was assessed against one Buck Duval for the year 1927 at a valuation of \$150.00; and

WHEREAS, it appears from Petition #31, hereto attached, that said automobile is a 1922 model and that a valuation of \$40.00 more nearly represents the true value of same,

Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That said valuation be changed from \$150.00 to \$40.00, and the Assessor & Collector be and he is hereby instructed to change his rolls accordingly.

The above resolution was adopted by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

Mayor McFadden laid before the Council the following resolution:

WHEREAS, on Assessment No. 1310, the improvements on 42½x150 ft. east from 34, Outlot No. 41, Division "B", City of Austin, were assessed against Lee F. Bradley for the year 1927 in the amount of \$475.00; and

WHEREAS, it appears from the attached Petition #28 that the improvements did not exist on the 1st day of January, 1927; therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the improvements on the above property be stricken from the tax rolls and the Assessor & Collector be directed to change his rolls accordingly.

The above resolution was adopted by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

Councilman Pannell moved that the petition of Rosebud S. Ettlenger to have the assessment on Lot 16, Outlot 1, Division "X", Harris Park, reduced from \$655.00 to \$535.00, be refused on the grounds that this property is assessed on the same basis as the adjoining property. Motion was seconded by Councilman Steck and same prevailed by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

Mayor McFadden laid before the Council the following resolution:

WHEREAS, J. F. Johnson is the Contractor for the construction of a building for the Central Christian Church to be situated on Original Block 133, Lot 5 and the east 56 feet of Lot 6 of the City of Austin, and desires a portion of the street abutting said premises during said construction to be used in the work and for the storage of materials therefor, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

1. That space for the use hereinabove enumerated be granted to J.F. Johnson, the boundaries of which are defined as follows:

BEGINNING AT THE Northeast corner of Lot 5; thence in a southeasterly direction 56 1/2 feet to the center line of Guadalupe Street; thence in a southerly direction along the center line of Guadalupe 97 feet to a point 6 feet south of the south property line of Lot 5; thence in a westerly direction 115 feet to a point; thence in a northerly direction 6 feet to the south property line of Lot 6; thence in an easterly direction to the southeast corner of Lot 5; thence in a northerly direction to the point of beginning.

2. The above privilege and allotment of space is granted to said J.F. Johnson, hereinafter termed "Contractor" upon the following express conditions:

(1) That the contractor shall erect and maintain continuously in good condition during the use of said space hereby allotted on the northeast, east and southeast boundaries of said working space a substantial walkway at least 3 1/2 feet wide to be protected on both sides by a guard rail at least 4 feet in height.

(2) That the contractor shall erect and maintain continuously in good condition during the use of said space hereby allotted along the south boundary of said working space a guard rail at least 4 feet high of such a permanent nature that it can be removed only by wrecking,

(3) That the contractor shall maintain openings in the walls of said barrier only on the northeast side and the southeast side of said working space for the ingress and egress of trucks and materials.

(4) That no vehicles shall be unloaded by the Contractor while parked on Guadalupe Street outside of the barrier, but that all of contractor's materials shall be unloaded within the space hereby allotted.

(5) That the contractor shall be allowed to construct a temporary work office, 12 ft. by 20 ft., within the above described working space and west of the west curb of Guadalupe Street a distance of 22 feet south of the south line of West 12th Street.

(6) That the contractor shall be allowed to construct a temporary water closet 6 feet wide and 10 feet long in the alley adjacent to the south property line of Lot 6. The 10 foot dimension to be parallel to the south property line of Lot 5.

(7) That the contractor shall remove all fences, barricades, walks, materials and other obstructions in the street and alley immediately after the necessity for their existence in said street or alley has ceased, such time to be determined by the City Manager. The contractor shall restore said street and alley to as good condition as same existed before the use of space hereby granted to the contractor.

The above resolution was adopted by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

Mayor McFadden laid before the Council the following resolution:

WHEREAS, Austin Gas Company has presented to the City Council tentative maps or plans showing the proposed construction of its gas mains in the streets in the City of Austin hereafter named, and said maps or plans have been considered by the City Council; therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

THAT Austin Gas Company be, and the same is hereby permitted to lay and construct its gas mains in and under the following streets:

On Elizabeth Street from the west line of Congress Avenue to the west line of Eva Street, the center of said main to be 18 feet south of and parallel to the north line of Eva Street. The main at the intersection of Elizabeth Street and Congress Avenue shall have not less than 4 feet of cover, at all other points it shall have not less than 18 inches of cover.

On Eva Street from the north side of Elizabeth Street to the north side of Monroe Street, the center of said main to be 19 feet west of and parallel to the east side of Eva Street and to have not less than 18 inches of cover.

On Willow Street from the east line of Mildred to the west line of Canadian Street, the center of said main to be 19 feet south of and parallel to the north side of Willow Street, the top of said main to be not less than 18 inches below the level of the present dirt gutter.

On Owen Street approximately 225 feet, beginning at a point 20 feet south of the north property line of 34th Street, the center of said main to be 17 feet west of the east line of Owen Street. Said main to have not less than 3 1/2 feet of cover at the gutter line of the north side of 34th Street and to have not less than 18 inches of cover at all other points.

On Waller Street from the south side of 15th Street to the north side of 16th Street, the center of said main to be 12 feet east of and parallel to the west line of Waller Street and to have not less than 18 inches of cover.

On 16th Street from the east line of Navasota Street to the east line of East Avenue, the center of said main to be 24 feet south of and parallel to the north line of 16th Street and to have not less than 18 inches of cover.

That the work and laying of said gas mains, including the excavation in the streets and the restoration and maintenance of said streets after said mains have been laid, shall be under the supervision and direction of the City Manager, and under all the pertinent terms and conditions of the certain franchise granted to said Company by the City of Austin.

The above resolution was adopted by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

Councilman Pannell moved that the Council recess, subject to call of the Mayor. Motion was seconded by Councilman Mueller, and same prevailed by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, and Steck, 4; nays, none, Councilman Reed absent.

The Council then recessed.

Approved: J. M. McFadden
Mayor.

REGULAR MEETING OF THE CITY COUNCIL:

Austin, Texas, April 5th, 1928.

The Council was called to order by the Mayor. Roll call showed the following members present: Mayor McFadden, Councilmen Mueller, Pannell, Reed and Steck, 5; absent, none.

The Minutes of the last meeting were read and Councilman Mueller moved the adoption of same. Motion was seconded by Councilman Steck and same prevailed by the following vote: Ayes, Mayor McFadden, Councilmen Mueller, Pannell, Reed, and Steck, 5; nays, none.

The following bids for the erection of the new unit to the City Hospital were opened and read:

GENERAL CONSTRUCTION

A. A. Mundt -----	\$75,742.00
H. E. Wattinger -----	69,296.00
J. J. Wattinger -----	72,965.00
J. R. Blackmore -----	71,500.00
Brydson Lumber Company -----	77,759.00
J. G. Knappe -----	81,900.00

HEATING:

Donnelly & White -----	\$ 9,777.00
J. C. Andrewartha -----	9,655.00
Fox-Schmidt -----	9,989.00
J. L. Martin -----	10,452.00
John W. Wattinger -----	10,450.00